

FISCAL NOTE

TO: Chief Clerk of the Senate
Chief Clerk of the House

FROM: Fiscal Review Committee Staff

DATE: February 14, 1995

SUBJECT: **SB 286 - HB 858**

This bill, if enacted, will require the court to inform parents of children placed in foster care due to dependency and neglect that, unless the parents prove within 12 months that they are capable of adequately caring for the child, the Department of Human Services will initiate proceedings to terminate their parental rights. The bill also directs the department or any child-placing agency to place a child, on whom termination of parental rights has been obtained, for adoption within 90 days of the termination and to consent to the adoption of that child.

For the purposes of this fiscal note, the following assumptions have been made:

- 1) DHS will need additional staff in order to accomplish the return to family or the termination of parental rights and adoption. Assuming the children are returned or placed for adoption, the need for additional staff declines after 18 months.
- 2) Fifty percent of the children in DHS custody are dependent or neglected. (The remainder are adjudicated unruly or delinquent.)
- 3) Seventy-five percent, or approximately 7,600, of the total number of children in DHS custody are in paid placements.
- 4) Based on FY 94 data, 64% of the children in DHS custody have been in care for 12 months or longer.

- 5) Ten percent of the children in care for longer than 12 months will not be able to be returned home or be adopted.
- 6) Of the children who can be returned home or adopted, 70% will be returned home and 30% will be adopted.

The fiscal impact from enactment of this bill is estimated to result in an increase in first year recurring expenditures of \$13,029,700 and one-time expenditures of \$4,415,100. Details of this estimate are shown below:

	<u>Recurring</u>	<u>Non-Recurring</u>
Salaries & Benefits for:	\$11,064,800	\$ -
350 Social Counselors 2		
50 Field Supervisors 1		
16 Attorneys 3		
50 Secretaries		
4 HS Program Supervisors		
Travel	1,092,000	-
Communications	169,200	94,000
Supplies	141,000	1,723,000
Rental	562,700	-
Equipment		2,598,100
TOTAL	<u>\$13,029,700</u>	<u>\$4,415,100</u>

Funding:

State \$14,125,100
Federal \$ 3,319,700

Also, the fiscal impact from enactment of this bill is estimated to be a decrease in expenditures of \$3,119,214 the first year and \$8,478,547 the second year from reduced costs of state custody placements for children who are removed from state custody through adoption.

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.

